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E. ROBERT SEAVER, CLERK

IN THE UNITED STATES SUPREME COURT

SUPPLIMENTAL APPENDAGES TO JURISDICTIONAL STATEMENT

In Appeal To
Order of Dismissal
of
United States Court of Appeals
For the Ninth Circuit
No. 26.539

71-181

D O C K E T N O. _____

PINE RIDGE LODGE, INC., a Nevada Corporation; EDWARD T. LYSEK; ISABEL J. LYSEK; LUCY WATKINS; VIVIAN WATKINS,

Appellants,

v.

WILLIAM B. GROVER, Trustee in Bankruptcy,

Appellee.

VIVIAN WATKINS, Pro Se
Star Route
Garberville, Calif. 95440
Telephone: 707-923-3821

Office of the Clerk
U. S. Court of Appeals
P. O. Box 547
San Francisco, California 94101

MAY 4 1971

Vivian Watkins
Star Route
Mendocino, Calif. 95460

Dear Sir:

The Petition for a Rehearing heretofore filed in case No. 26539 - In the Matter of THEODORE A. WATKINS PINE RIDGE LODGE, INC. vs. WILLIAM B. GROVER was this day denied.

41 (a)

Pursuant to Rule ~~23~~, and unless stayed by the order of the Court, a certified copy of the judgment of this Court under said Rule will be due to issue on the expiration of ~~five~~ (5) days from the date hereof.

seven (7)

Sincerely,

WM. B. LUCK,

Clerk.

FPI-LPC-10-67-SH-3447

BEST AVAILABLE COPY

Appendage C

FILED BY CERTIFIED MAIL
JUNE 4, 1971

UNITED STATES COURT OF APPEALS
FOR THE NINTH CIRCUIT

In the Matter of Theodore A. Watkins, No. 118433 in Bankruptcy PINE RIDGE LODGE, INC., a Nevada Corporation, EDWARD T. LYSEK, ISABEL J. LYSEK, LUCY WATKINS aka IDA L. WATKINS, and VIVIAN WATKINS, Appellants, vs. WILLIAM B. GROVER, Trustee in Bankruptcy for the Estate of Theodore A. Watkins, bankrupt, Appellee.	CIVIL ACTION NO. 26,539

NOTICE OF APPEAL TO THE
SUPREME COURT OF THE UNITED STATES

I. Notice is hereby given that the PINE RIDGE LODGE, INC., a Nevada corporation, EDWARD T. and ISABEL J. LYSEK, husband and wife as joint tenants, LUCY WATKINS also known as IDA L. WATKINS, and VIVIAN WATKINS, appellants above named, hereby appeals to the Supreme Court of the United States from the summary dismissal of their appeal to the United States Appeals Court for the Ninth Circuit to a "proceeding in bankruptcy" entered on May 4, 1971. This appeal is taken pursuant to 11 U.S.C. § 47 (a).

II. The clerk will please prepare a transcript of the record in this cause, for the transmission to the clerk of the Supreme Court

of the United States, and include in the said transcript the following:

1. A certified copy of the record of the Superior Court of the State of California in and for the County of Mendocino, Action No. 31208, initiated by William B. Grover, Trustee in Bankruptcy for the Estate of Theodore A. Watkins, by a COMPLAINT TO QUIET TITLE filed in the said court on May 27, 1970; said certified copy will be furnished to clerk by appellants;

2. Referee in Bankruptcy's ORDER TO SHOW CAUSE filed June 30, 1970, in the bankruptcy matter of Theodore A. Watkins, No. 118433;

3. Certified copy of Referee in Bankruptcy' NOTICE OF SALE OF REAL PROPERTY dated June 30, 1970, in bankruptcy matter of Theodore A. Watkins, No. 118433; said certified copy to be furnished clerk by appellants;

4. NOTICE OF APPEAL by the above named appellants filed July 13, 1970, with the clerk of the United States District Court for the Northern District of California in the bankruptcy matter of Theodore A. Watkins, No. 118433;

5. Referee in Bankruptcy's FINDINGS OF FACT CONCLUSIONS OF LAW, AND ORDER filed July 21, 1970, in bankruptcy matter of Theodore A. Watki No. 118433;

6. NOTICE OF APPEAL by the above named appellants filed August 10, 1970, with the clerk of the United States District Court for the Northern District of California in the bankruptcy matter of Theodore A. Watkins, No.118433

7. DECLARATION OF SERVICE BY MAIL by Norman R. Hook of two copies of APPELLANTS' OPENING BRIEF dated December 16, 1970, in Appeal No. 26,539.

8. MOTION TO DISMISS APPEAL for William B. Grover, Trustee in Bankruptcy for the Estate of Theodore A. Watkins, dated January 5, 1971, in Appeal No. 26,539;

9. DECLARATION OF PHILIP M. ARNOT IN SUPPORT OF MOTION TO DISMISS APPEAL, dated January 5, 1971, in Appeal No. 26,539;

10. POINTS AND AUTHORITIES IN SUPPORT OF MOTION TO DISMISS APPEAL, dated January 5, 1971, in Appeal No. 26,539;

11. DECLARATION OF EDWARD T. LYSEK TRAVERSING DECLARATION OF PHILIP M. ARNOT IN SUPPORT OF MOTION TO DISMISS APPEAL, dated January 11, 1971, in Appeal No. 26,539;

12. DECLARATION OF VIVIAN WATKINS TRAVERSING DECLARATION OF PHILIP M. ARNOT IN SUPPORT OF MOTION TO DISMISS APPEAL, dated January 11, 1971, in Appeal no. 26,539;

13. ORDER OF DISMISSAL by Appeals Court filed March 18, 1971, in Appeal No. 26,539;

14. PETITION FOR REHEARING filed by above named appellants on April 1, 1971, in Appeal No. 26,539;

15. ORDER by Appeals Court filed May 4, 1971, in Appeal No. 26,539;

16. The within NOTICE OF APPEAL TO THE SUPREME COURT OF THE UNITED STATES by the above named appellants.

III. The following questions are presented by this appeal:

1. On May 27, 1970, appellee, WILLIAM B. GROVER, Trustee in Bankruptcy for the Estate of Theodore A. Watkins, conferred jurisdiction to property known as PINE RIDGE LODGE and the above named appellants, as defendants, to the Superior Court of the State of California, in and for the County of Mendocino, by his filing therein and summonsing thereto, as plaintiff in a COMPLAINT TO QUIET TITLE, Action No. 31208;

2. Regardless of the fact that appellee, WILLIAM B. GROVER, was the plaintiff in the above

mentioned State Court Action No. 31208, the Bankruptcy Court, by its ORDER TO SHOW CAUSE in response to a petition by Philip M. Arnot, attorney for WILLIAM B. GROVER, Trustee in Bankruptcy for the Estate of Theodore A. Watkins, illegally removed the jurisdiction to the said PINE RIDGE LODGE property and to the above named appellants, as defendants, from the said State Court to the United States District Court for the Northern District of California and summary proceedures of the Bankrupt Court without regard to established Federal Removal Procedures;

3. The said illegal removal of the jurisdiction to the same property and the appellants from that of the state court to that of the federal courts was an interlocatory order of administrative procedure in the Bankruptcy Court that was a final order as to the said property and the said appellants of property of a value in excess of $250,000.00 and appealable as a matter of right by the said appellants as a "proceeding" under 11 U.S.C. § 47 (a);

4. NOTICE OF APPEAL was duly fined and served by the above named appellants on July 13, 1970, to the said ORDER TO SHOW CAUSE and NOTICE OF SALE OF REAL PROPERTY, both dated June 30, 1970; but, the Bankruptcy Court, on July 14, 1970, continued with the appealed proceeding and summarily divested the said appellants of their known substantial interests in the said Pine Ridge Lodge property and perfected a fraudulently acquired title to the said WILLIAM B. GROVER, Trustee in Bankruptcy, without the consent of the said appellants;

5. Long after the appeal was docketed and after the APPELLANTS' OPENING BRIEF was served upon the appellee, WILLIAM B. GROVER, on December 16, 1970, the said WILLIAM B. GROVER filed a MOTION TO DISMISS APPEAL, dated January 5, 1971, in which he requested the Appeals Court to summarily dismiss the appellants' appeal based merely upon a declaration of his attorney as to

the said attorney's suspicion and belief that the appellants were, by their appeal, attempting to review an order of the Bankrupt Court under 11 U.S.C. § 67 (c);

6. Without apparent regard of the fact that the said appellants had appealed the "proceeding" of July 13, 1970, eight days prior to the Bankruptcy Court's ORDER of July 21, 1970, and the appellants' duly and timely filed declarations traversing the said WILLIAM B. GROVER'S attorney's declaration, the Appeals Court, on March 18, 1971, summarily dismissed the appellants' appeal stating in the ORDER OF DISMISSAL, "It conclusively appearing that appellants have failed to seek the exclusive jurisdiction of the District Court to review orders of the Referee in Bankruptcy as required by 11 U.S.C. § 67 (c)";

7. The appellants contend that the Bankruptcy Court did not have the jurisdiction to determine, or issue an order with regard to the PINE RIDGE LODGE property and the above named appellants under 11 U.S.C. § 67 (c), that the District Court has no better jurisdiction to review the order than was had by the Bankruptcy Court, and that the jurisdiction of the Appeals Court to sustain the Bankruptcy Court's jurisdiction and orders by the said interlocatory summary order of dismissal was no better than that of the Bankruptcy Court;

8. The appellants contend that the United States Appeals Court has appellate jurisdiction under 11 U.S.C. § 47 (a) to determine interlocatory procedural orders of the Bankrupt Court which illegally permits the plaintiff to remove the QUIET OF TITLE action from the California State Court to the Federal Bankruptcy Court and to summary procedures therein;

9. Appellant LUCY WATKINS also known as IDA L. WATKINS contends that she was brought into the suit by WILLIAM B. GROVER in the California Superior Court action 31208, as a defendant and

that she was not made a party to the ORDER TO SHOW CAUSE filed by the Bankruptcy Court on June 30, 1970, nor a party to the hearing of July 14, 1970, or the ORDER dated July 21, 1970, and is not in any waycovered by any orders or review of orders under 11 U.S.C. § 67 (c);

10. The appellants contend that the summary dismissal of their appeal under 11 U.S.C. §47(a) is an interlocatory order by the said Appeals Court that is a final order to the appellants confirming a "proceeding" in bankruptcy that illegally transfers jurisdiction from the California State Court by a plaintiff to the United States District Courts jurisdiction and by the said interlocatory order is perfecting a title to WILLIAM B. GROVER, personally, of the Pine Ridge Lodge property, both real and personal, obtained by criminal fraud.

Edward T. Lysek
EDWARD T. LYSEK, Appellant

Isabel J. Lysek
ISABEL J. LYSEK, Appellant

Lucy Watkins
LUCY WATKINS (deceased) by Vivian Watkins

Vivian Watkins
VIVIAN WATKINS, Appellant

PINE RIDGE LODGE, INC., A Nevada Corp.
Edward T. Lysek, President

IN THE UNITED STATES COURT OF APPEALS
FOR THE NINTH CIRCUIT

In the Matter of Theodore A Watkins, NO. 118433 in Bankruptcy,	)	
PINE RIDGE LODGE, INC., a Nevada Corporation, EDWARD T. LYSEK, ISABEL J. LYSEK, LUCY WATKINS aka IDA L. WATKINS, and VIVIAN WATKINS,	)	
Appellants	)	CIVIL ACTION No. 26,539
vs.	)	
WILLIAM B. GROVER, Trustee in Bankruptcy for Estate of Theodore A. Watkins, bankrupt,	)	
Appellee.	)	

PROOF OF SERVICE BY MAIL

I am a citizen of the United States and a resident of the County of Sonoma, I am over the age of eighteen years and not a party to the within above entitled action; my address is Old Redwood Highway, Windsor, California. On June 3, 1971, I served the within Notice of Appeal to the Supreme Court of the United States on WILLIAM B. GROVER, appellee, by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid, in the United States Post office mail box at Fort Bragg, California, adressed to his attorney as follows:

PHILLIP M. ARNOT, Att. at Law
924 Fifth Street
Eureka, California 95501

I, NORMAN R. HOOK, declare, under penalty of perjury, the the foregoing is true and correct.

Executed on June 3, 1971, at Fort Bragg, Calif.

(Signed) NORMAN R. HOOK

PHILIP M. ARNOT
Attorney at Law
924 Fifth Street
Eureka, California
Telephone: 443-2241

Attorney for Trustee

F I L E D
JUNE 30, 1970
CONLEY S. BROWN
REFEREE IN BANKRUPTCY

IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF CALIFORNIA

In the Matter of

THEODORE A. WATKINS
Bankrupt

No. 118433
In Bankruptcy

ORDER TO SHOW CAUSE

Upon reading and filing the petition of Philip M. Arnot, as attorney for the trustee in bankruptcy herein, and it appearing that the trustee claims title to certain real property and that there are adverse claims, the validity of which must be determined, and good cause appearing therefore,

IT IS ORDERED that respondents Pine Ridge Lodge, Inc., a Nevada corporation; Francis Alfred Nichols; Edward H. Peterson; Henry L. Howse; Vivian Watkins; Guardian Credit Company, a corporation; Morris M. Grupp; Retailers Credit Association of Mendocino County, a corporation, and Rodgers Organ Company; and Edward T. Lysek and Isabel J. Lysek appear and show cause, if any they have, before the undersigned Referee in Bankruptcy, on July 14, 1970 at 2:00 p.m. at the Clerk's office, Mendocino County Courthouse, Ukiah, California, why the trustee should not be authorized to sell the real property referred to in the annexed petition, either subject to or free and clear of all liens and encumbrances, and further at said time and place why this court should not determine the extent and validity of all said claims or liens against said real property.

IT IS FURTHER ORDERED that the above named re-

spondents claiming some right, title or interest in and to said real property referred to in the annexed petition file their answer to said petition in writing at least five day prior to July 14, 1970, and serve a copy upon Philip M. Arnot, 924 Fifth Street, Eureka, California, or be forever barred from asserting a defense thereto.

IT IS FURTHER ORDERED that service of the within petition and order to sho cause upon above named respondents by mail shall be sufficient service.

Dated: JUN 30 1970

(Signed) Conly S. Brown

Referee in Bankruptcy

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA

In the Matter of

THEODORE A. WATKINS, Bankrupt.

In Bankruptcy
No. 118433

NOTICE OF PROPOSED SALE OF REAL PROPERTY

To the creditors of the above-named bankrupt and others in interest:

NOTICE IS HEREBY GIVEN that WILLIAM B. GROVER, Trustee of the property of the above-named bankrupt, has filed herein a petition for an order authorizing him to sell the trustee's right, title and interest in and to certain real property hereinafter described, at either public or private sale, and either free and clear of or subject to liens and encumbrances, to the best and highest bidder, as may be determined to be for the best interest of the estate.

Said petition will be heard, considered and passed upon at the courtroom of the undersigned on July 14, 1970 at 2:00 P.M. at the Clerk's Office, Mendocino County Courthouse, Ukiah, California, before the undersigned Referee in Bankruptcy,

Said real property is described as follows: to-witt:

That certain real property situated in the County of Mendocino, State of California, described as follows:

Northeast quarter of Section 3, Township 16 North, Range 17 West, Mount Diablo Meridian;

AND EXCEPTING that portion lying North of the County road as traveled in 1923;

AND EXCEPTING that portion beginning at the point of junction of County road and West border line of the Northeast quarter and fol-

lowing the said West border line of the Northeast quarter and following the said West line in a Southerly direction for a distance of 700 feet; thence South 67 degrees, approximately, East and parallel to the County road a distance of 680 feet; thence in a northerly direction and parallel to the Western boundary line, a distance of 700 feet; thence approximately North 67 degrees West along the County Road 680 feet to the point of beginning, containing 10 acres, more or less;

NOTICE IS FURTHER GIVEN that in the event said petition is granted the trustee will offer said property for sale immediately thereafter and at the above mentioned time and place, and said Referee may proceed immediately to confirm or refuse to confirm such sale, or may confirm the sale at anytime thereafter without further notice or hearing.

Reference is hereby made to said petition and all of the papers on file in the office of the undersigned Referee for further particulars.

DATED: June 30, 1970.

CONLEY S. BROWN
Referee in Bankruptcy
205a Post Office Bldg.
Eureka, Calif. 95501

PHILIP M. ARNOT
Attorney at Law
924 Fifth Street
Eureka, California
Telephone: 443-2241

Attorney for Trustee

FILED
JULY 21, 1970
CONLEY S. BROWN
REFEREE IN BANKRUPTCY

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA

In the Matter of

THEODORE A. WATKINS,

Bankrupt.

No. 118433
In Bankruptcy

FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER

This matter came on for hearing on July 14, 1970, on the trustee's petition for authority to sell real property either free and clear of liens and encumbrances or subject to said liens or encumbrances, and for determination of the validity of liens against said real property, Philip M. Arnot, Esq., appearing for the trustee; James R. Nielsen, Esq. appearing on behalf of Pine Ridge Lodge, Inc., and having filed a disclaimer herein; Michael D. Senneff, Esq. appearing for Francis Alfred Nichols; Leo M. Cook, Esq. appearing on behalf of Henry L. House; Morris M. Grupp, Esq. appearing personally and filing a disclaimer herein, and there being no appearances on behalf of Retailers Credit Association of Mendocino County, a corporation, Vivian Watkins, Edward T. Lysek and Isabel J. Lysek, or Rodgers Organ Company, and upon proof of service being satisfactory to the Court, and good cause appearing therefore, the Court makes the following Findings of Fact, Conclusions of Law, and Orders:

FINDINGS OF FACT

1. William B. Grover is the duly qualified and acting trustee of the within estate.

2. At the date of adjudication of the above named bankrupt, title to certain real property described in Exhibit "A" attached hereto vested in Vivian Watkins and Yvonne Stull by virtue of a quit claim deed dated December 18, 1964 and recorded March 3, 1967 in Book 735, page 274, Official Records of Mendocino County.

3. Through subsequent conveyances and after adjudication herein, title to said real property was transferred to Edward T. Lysek and Isabel J. Lysek, husband and wife, and thereafter, said real property was transferred by quitclaim deed to Pine Ridge Lodge, Inc., a Nevada corporation.

4. Subsequent thereto, and on or about June 10, 1970, title was again transferred by Pine Ridge Lodge, Inc., a Nevada corporation, to William B. Grover, Trustee in Bankruptcy, by deed recorded June 11, 1970, in Book 819, page 159, Official Records of Mendocino County.

5. The Court finds that the deed referred to in Finding No. 4 above was given for the purpose of placing title to said real property in the correct status as of the date of adjudication, that being the trustee in bankruptcy of the above named bankrupt estate.

6. The Court finds that ownership of said real property at the date of adjudication was actually in the above named bankrupt, but that title was being held in names other than the bankrupt's for purposes of avoiding the bankrupt's creditors.

7. Service upon Vivian Watkins and Edward T. Lysek and Isabel J. Lysek was properly made, and their defaults have been properly entered, and therefore, any interest in said respondents Vivian Watkins, Edward T. Lysek and Isabel J. Lysek are invalid as against the trustee, specifically but not limited to that certain lease agreement between Theodore A. Watkins, Lessor, and a partnership doing business as Pine Ridge Resort, consisting of partner Theodore A. Watkins, a single man, and partner Vivian Watkins, a single woman,

Lessees, dated August 25, 1964 and recorded October 25, 1968 in Book 776, page 423, Official Records of Mendocino County.

8. Pine Ridge Lodge, Inc., a Nevada corporation, has filed a disclaimer herein, and the Court finds that said Pine Ridge Lodge, Inc., has no interest in said real property.

9. The Court finds that Retailers Credit Association of Mendocino County was properly served, but their lien evidenced by an abstract of judgment in the amoun of $123.27 recorded January 18, 1965 in Book 680, page 273 of Official Records of Mendocino County is a valid and existing lien against said real property.

10. Rodgers Organ Company is found to have a valid and existing lien in the amount of $804.36 and that said amount can be paid out of the proceeds of sale and therefore the abstract of judgment recorded February 21, 1968 in Book 758, page 449 in favor of Rodgers Organ Company and against Ted Watkins and Vivian Watkins is valid as against the trustee in bankruptcy to the extent of $804.36 only.

11. The Court finds that the liens of Henry L. Howse and Francis A Nichols, Executor of the Estate of August Alfred Heezer, are valid and existing liens as evidenced by their respective appearances in this matter, that being the sum of $6,292.98 as to Henry L. Howse and the sum of $29,730.90 as to Francis Alfred Nichols.

12. The Court further finds that the judgments of Edward H. Peterson, Guardian Credit Company, a corporation, and the County of Mendocino are all proper liens against said real property.

13. The Court further finds that no objection ns been raised by any of the above named respondents to the request by the trustee to sell said real property, free and clear of all liens or subject to said liens which are valid to the proceeds of the sale of said real property.

CONCLUSIONS OF LAW

1. Title to said real property described in Exhibit "A" attached hereto vests in the trustee in bankruptcy of the herein estate, and that said trustee is authorized to sell said property and out of the proceeds of sale pay those liens herein found to be valid as against this real property.

2. Vivian Watkins, Edward T. Lysek and Isabel J. Lysek, and Pine Ridge Lodge, Inc.; a Nevada corporation, have no valid claim of lien against or interest in said real property described in the attached Exhibit "A".

ORDER

IT IS ORDERED, ADJUDGED AND DECREED that William B. Grover, Trustee in Bankruptcy of the within estate, be and hereby is authorized to sell that certain real property described in Exhibit "A" attached hereto, either free and clear or subject to all valid liens and encumbrances.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the trustee in bankruptcy is authorized to transfer all valid liens to the proceeds of the sale of said real property and to pay said liens out of such proceeds.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the certain lease agreement referred to as between Theodore A. Watkins, Lessor, and a partnership doing business as Pine Ridge Resort, consisting of partner Theodore A. Watkins, a single man, and partner Vivian Watkins, a single woman, Lessees, dated August 25, 1964 and recorded October 25, 1968 in Book 776, page 423, Official Records of Mendocino County is null and void and has no legal force or effect as against the trustee in bankruptcy and the real property described in Exhibit "A" attached hereto.

Dated: July 21, 1970

(Signed) Conley S. Brown
Referee in Bankruptcy

EXHIBIT "A"

That certain real property situate in the County of Mendocino, State of California, described as follows:

Northeast quarter of Section 3, Township 16 North, Range 17 West, Mount Diablo Meridian;

AND EXCEPTING that portion lying North of the County road as traveled in 1923;

AND EXCEPTING that portion beginning at the point of junction of County road and the West border line of the Northeast quarter and following the said West line in a Southerly direction for a distance of 700 feet; thence South 67 degrees, approximately, East and parallel to the County road a distance of 680 feet; thence in a northerly direction and parallel to the Western boundary line, a distance of 700 feet; thence approximately North 67 degrees West along the County Road 680 feet to the point of beginning, containing 10 acres, more or less;

PROOF OF SERVICE BY MAIL

I am a citizen of the United States and a resident of the County of Alameda, State of California, I am over the age of eighteen years and not a party to the within above entitled matter; my residence address is 1097 West Street Hayward, California, On August 7, 1971, I served threecopies of the within SUPPLIMENTAL APPENDAGES TO JURISDICTIONAL STATEMENT to the United States Supreme Court, by placing three true copies thereof, enclosed in a sealed envelope with postage thereon fully prepaid, in the United States mail box at Garberville, California, addressed to appellee WILLIAM B. GROVER'S attorney of record as follows:

PHILIP M. ARNOT, Att. at Law
924 Fifth Street
Eureka, California 95501

I, NEAL BENNETT, declare, under penalty of perjury, that the foregoing is true and correct.

Executed on August 7, 1971
at Garberville, California.

Neal Bennett